

WASHINGTON—Today, U.S. Representative Mike Quigley (IL-05) continued his efforts to improve federal budgeting by re-introducing the Transparent and Sustainable Budget Act, a bill that would require the federal government to accurately account for each dollar it spends. Quigley also testified before the Budget Committee, submitting a copy of his 70 pg. [Reinventing Government: The Federal Budget](#) report.

**“To truly get our fiscal house in order, we must have a clear understanding of what we’re spending and how we spend it,” said Quigley. “Fixing a broken budget process allows us to set realistic goals for deficit reduction, and take substantive steps toward a future that isn’t weighed down by debt.”**

Currently, public debt is projected to rise to more than twice the size of the economy by 2025 and more than three times its size by 2050. It has never risen to even 120 percent of GDP in the modern history of the United States.

Provisions of the Transparent and Sustainable Budget Act will reform deceptive accounting practices that hide ‘off-budget’ spending and establish the first effective oversight of tax expenditures, tax breaks that resulted in \$1.2 trillion in essentially unaccountable spending in 2009. Other highlights include:

- Establishing debt and deficit reduction targets to 60 percent of Gross Domestic Product (GDP) and the deficit to three percent of our GDP within 10 years
- Requiring the Congressional Budget Office and the Joint Committee on Taxation to analyze the second decade budget impact for any bill that they score for Congress
- Convening a joint session of Congress to hear the President deliver an annual “Fiscal Sustainability State of the Union” at the end of each fiscal year

The bill is co-sponsored by Jim Himes (CT-4), Gary Peters (MI-9), and Jared Polis (CO-2). Quigley released *Reinventing Government: The Federal Budget* last November with Part II due out this Spring. Part I includes 15 recommendations for a more complete and accurate budget. The reports are modeled on a [series of reports](#)

Quigley wrote as a Cook County Commissioner. The full text of Quigley’s testimony to the Budget Committee is below.

## LINKS

[Executive Summary of  \*Reinventing Government: The Federal Budget\*](#)

[Full PDF of  \*Reinventing Government: The Federal Budget\*](#)

[Cook County Reinventing Reports](#)

Mr. Chairman and Mr. Ranking Member, thank you for the opportunity to testify today.

Our country is on an unsustainable fiscal path. The CBO projects that by 2030, the federal government will be spending 30 percent of GDP but collecting only 20 percent in tax revenue. By 2050, the government will be collecting that same 20 percent, but spending *45 percent*—our deficits will only get worse from there.

Rising health care costs to blame—since 1970, health care spending has quintupled as a percent of our budget. Its growth closely correlates with the projected growth in deficit spending. Deficit spending will also generate its own costs—eventually, the accumulated costs of past deficits will be the drivers of new ones. The CBO projects that just 9 years from now, the interest we'll pay on previous borrowing will cost \$778 billion. This will account for all of 2020's projected \$685 billion deficit and then some, crowding out important programs.

For a country with the proud history and vast resources of the United States, *this is unacceptable*— it is unacceptable because government's mission matters. Strong national defense and accessible health care are among the priorities that will have to fall by the wayside if our fiscal path is not adjusted.

**Step one** in righting our course is agreeing on what defines fiscal sustainability. Some would have us believe that any deficit whatsoever is a threat to government's solvency. Others would prefer to ignore deficits altogether and continue spending vast sums of borrowed money.

I disagree with both of these extreme positions.

While deficits can help smooth dips in the economy and put unemployed Americans back to work, they can also exacerbate future deficits and slow economic growth. Either way, this should be a choice that future leaders can make if so needed, and not be one forced upon them by the reckless fiscal planning of previous generations. As it stands now, we are leaving them no choice at all.

**Step two** must be fixing our broken budget process. Trillions of dollars in hidden spending persist with close to zero accountability. Huge organizations like the Department of Defense cannot keep track of their cash flows. Right now we're flying blind, and that's making it tougher to find savings in the budget. Greater transparency and accountability can help us fix our budget and then help us keep it on a sustainable path.

In November 2010, I released *Part One* of a multi-part series on reinventing the federal budget. I am submitting *Part One*, which discusses these reform proposals, as my written testimony for today's hearing.

**Step three** in this process is making hard decisions on how to move forward with a responsible deficit and debt reduction package. Guiding these decisions must be a sense that pain will be felt

on both sides. There can be no sacred cows—everything must be on the table—and both sides must negotiate in good faith. Many domestic spending programs are duplicative or just plain wasteful. Defense spending goes so far beyond what's reasonable that the Defense Department doesn't even want what we're giving them. The tax code is full of hidden spending programs consume \$1.2 trillion in taxpayer dollars each year. And entitlement programs should be reformed to reflect changing times and lifestyles.

My point is this: each of these areas of the budget must be targeted in a deficit reduction plan—15 percent of the budget cannot account for 85 percent of the savings. Government's mission matters, and we should keep that in mind as work to plan a sounder fiscal future. In the next month, I will release *Part Two* of my report series on reinventing the federal budget. *Part Two*

will make specific recommendations for each area of the budget, all told amounting to hundreds of billions of dollars in savings.